

Standard Chartered Indian Depository Receipts Frequently Asked Questions:

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Indian Depository Receipts:

The following FAQs are not the interpretation of law but provide only a brief summary of the Indian Depository Receipts (“IDRs”) issued by Standard Chartered PLC (“Standard Chartered”) in June 2010 and the circular dated March 1, 2013 (the “Circular”) notified by the Securities and Exchange Board of India (“SEBI”) in relation to two-way fungibility of IDRs. No recommendation as to the purchase of IDRs or redemption of IDRs into underlying equity shares of Standard Chartered of nominal value US\$ 0.50 (“Equity Shares”) or conversion of Equity Shares into IDRs is being made. Being a summary, this document is qualified by the provisions of the Circular, the detailed operating guidelines (the “Operating Guidelines”) submitted by Standard Chartered to the Indian stock exchanges as well as uploaded on its website at <http://investors.standardchartered.com/en/> and other applicable laws including the legal framework applicable to the issue of IDRs.

Kindly note that redemption of IDRs into Equity Shares or conversion of Equity Shares into IDRs is voluntary. Please consult your own counsel and advisors as to business, legal, tax, accounting and related matters under Indian and other applicable laws before applying for redemption of IDRs into Equity Shares or seeking conversion of Equity Shares into IDRs.

The IDR Facility

What is a Standard Chartered IDR?

- A Standard Chartered IDR is a depository receipt denominated in Indian Rupees issued by Standard Chartered Bank, Mumbai (the “Domestic Depository”) representing the underlying Equity Shares.
- 10 IDRs represent an ownership interest in one Equity Share (known as the “Deposited Shares”).
- IDRs give the holder the opportunity to have an interest in the Equity Shares.

Who are the principal participants in the IDR Facility and what are their roles?

- The principal participants in the IDR Facility are Standard Chartered, the Overseas Custodian, the Domestic Depository and the Registrar & Transfer Agent (the “R&T Agent”).
- Standard Chartered:
 - Standard Chartered– is incorporated in England and its Equity Shares are listed in London and Hong Kong.
- Domestic Depository:
 - The Domestic Depository has issued IDRs representing the underlying Equity Shares to investors.
 - The Domestic Depository is registered as a custodian of securities with SEBI.
 - The Domestic Depository acts as a bare trustee on behalf of the IDR Holders and its rights and obligations are specified in the deposit agreement dated 8 May 2010 signed between Standard Chartered and the Domestic Depository, as amended (the “Deposit Agreement”).
- Overseas Custodian:
 - Standard Chartered has issued Equity Shares to the Overseas Custodian, Bank of New York Mellon, who holds them on behalf of the Domestic Depository and on basis of which the Domestic Depository has issued IDRs.
 - It is a foreign entity appointed by the Domestic Depository pursuant to the custody agreement dated 8 May 2010, as amended (the “Custody Agreement”).
- R&T Agent:

- The R&T Agent, Karvy Computershare Private Limited, was appointed pursuant to the transfer agent agreement dated 21 May 2010 between Standard Chartered, the Domestic Depository and R&T Agent (the "Transfer Agent Agreement") which was renewed pursuant to a memorandum of understanding dated July 17, 2012. Pursuant to this agreement, R&T Agent provides services to Standard Chartered, the Domestic Depository and the IDR Holders in India. These services include registration and transfer of IDRs in India, record keeping, coordinating corporate actions and handling investor grievances.

Rights of IDR Holders

What are the rights of an IDR Holder?

- An IDR Holder is entitled to rights on an equitable basis vis-à-vis the rights of all holders of Equity Shares ("Equity Shareholders").
- Some of the rights of the IDR Holders include:
 - Voting.
 - Entitlement to bonus issues.
 - Entitlement to dividends.
 - Participation in rights issues.
 - Participation in sub-divisions and consolidations of underlying Equity Shares.
 - Participation in other distributions and corporate actions.
- These rights will be exercised through the Domestic Depository and the Overseas Custodian if they are practicable and legally feasible:
 - In case any distribution of Equity Shares is not possible to investors in India, either due to practical or legal issues, the Domestic Depository will generally sell the Equity Shares and pay any cash proceeds (after certain fees and expenses) to the IDR Holders.
- The rights and obligations of the IDR Holders are specified in the Deposit Agreement.
- IDR Holders will have rights of legal recourse against Standard Chartered as well as the Domestic Depository as provided under the Deposit Agreement.

How will an IDR Holder get distributions made by Standard Chartered?

- The Domestic Depository will notify the IDR Holders of such distributions.
- The distributions will be available to the IDR Holders as of a record date which will be fixed by the Domestic Depository.
- The process is similar to a distribution or corporate action by a listed Indian company in India:
 - In the case of a bonus issue, the proportionate number of IDRs will be credited into the dematerialised account of the IDR Holders.
 - In the case of a cash dividend, the dividend will either be credited to a bank account or warrants would be dispatched to IDR Holders.
 - In the case of a rights issue, subject to the final bullet point below, the Domestic Depository will make application forms available to the IDR Holders and the IDR Holders can apply for their proportionate rights. Once the Overseas Custodian receives the underlying Equity Shares, the Domestic Depository will credit the IDRs to the dematerialised account of the relevant IDR Holders.
- The R&T Agent will play a key role in corporate actions.
- In case it is not practical or legally possible to distribute underlying Equity Shares, such underlying Equity Shares or the interest in such underlying Equity Shares will generally be sold by the Domestic Depository and any resulting cash proceeds (after certain fees and expenses) would be paid to the IDR Holders. If there are different regulatory requirements prevailing in India and the UK, especially in terms of rights issues, it may not be possible to make rights issues available to IDR Holders. In this case, rights entitlements would generally be sold on the London Stock Exchange and any resulting cash (after certain fees and expenses)

would be paid to the IDR Holders.

Whether IDRs may be issued pursuant to a rights offering?

- SEBI has allowed issue of IDRs on a rights basis to the existing IDR Holders subject to the compliance with applicable laws, primarily, chapter XA of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

Ownership and Trading of IDRs

How are the IDRs listed and traded?

- IDRs have been allotted to investors in dematerialised form.
- IDRs are listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE" together with BSE referred to as the "Indian Stock Exchanges").
- IDRs are traded in dematerialised form but the IDR Holders have the option to hold the IDRs in certificated form.
- The trading and settlement process of IDRs is like the trading and settlement of equity shares of Indian companies. The tax treatment may, however, be different.

Can IDR Holders ever hold IDRs in physical form?

- Once the IDRs are credited into the dematerialised account of the IDR Holders, they may be converted into physical form (i.e. IDR certificates) at the discretion of the IDR Holder.
- IDR Holders will be required to pay a fee per IDR certificate to the Domestic Depository.

How will I get a reference price?

- Investors can track the price of the underlying Equity Shares listed on the London and Hong Kong stock exchanges.
- The price at which the IDRs are trading is quoted on the Indian Stock Exchanges.

What is the tax treatment on IDRs?

- The following response relates to Indian tax law only. There are no specific tax provisions under the Indian Income Tax Act, 1961, as amended (the "Income Tax Act") with respect to taxation of IDRs.
- Secondary trading of IDRs is not subject to Securities Transaction Tax ("STT") and hence capital gains tax will be payable on any profits. The applicable rate of tax on capital gains will depend on the category of the taxpayer, its tax residence status, nature of capital gains (long-term or short-term, as the case may be) and, in case of non-residents the provisions of the relevant DTAA.
- Dividend distribution tax is not payable by Standard Chartered and therefore dividends will be taxable in the hands of IDR Holders. Dividends paid to resident IDR Holders shall be taxable in India. Dividends paid to non-resident IDR Holders shall be taxable in India, if they are received in India or deemed to be received by the IDR Holders in India. Where taxable, the applicable tax rates for dividends would vary depending upon the relevant category of the taxpayer and its tax residential status.
- Dividends received by resident IDR Holders shall not be subject to deduction of tax at source. However, dividends received by non-resident IDR Holders may be subject to deduction of tax at source at the applicable rates, where the dividend is chargeable to tax in India.
- Under the Direct Taxes Code (DTC), there are different rates with respect to the taxability of capital gains and dividends, which could be applicable to IDRs. As the DTC has not yet been finalized and is yet to be

implemented, the provisions summarised above could change.

- IDR Holders are advised to consult their own counsel and advisors regarding the tax consequences of holding IDRs.

IDR Fees

Are there any fees and charges payable by the IDR Holders to the Domestic Depository with respect to the IDRs?

- There will be a small charge payable by IDR Holders for the services provided by the Domestic Depository and the Overseas Custodian together with all expenses, taxes, duties or other charges.
- Similar charges are payable by holders of ADRs and GDRs of Indian companies for depository and custody services.
- To illustrate, in terms of the Deposit Agreement, a fees of US\$ 0.05 for every 10 IDRs will be charged for the cancellation of IDRs upon the withdrawal of the Equity Shares. In case of a dividend, the charge per Deposited Share evidenced by the IDRs will be calculated on a sliding scale depending on the amount of the dividend per share as illustrated by the following table:

Dividend (US\$)		Service fee (US\$)
From	To	
0	0.0049	–
0.0049	0.009	0.0010
0.009	0.014	0.0020
0.014	0.019	0.0030
0.019	0.024	0.0040
0.024	0.049	0.0050
0.049	0.099	0.0100
0.099	0.149	0.0120
0.149	0.199	0.0130
0.199	0.249	0.0150
0.249	100	0.0160

- Details of all charges and fees payable in respect of IDRs are included in the Deposit Agreement.

Other Questions relating to IDRs

What is the Deposit Agreement and where can I access it?

- The Deposit Agreement is an agreement between Standard Chartered and the Domestic Depository.
- It contains the rights and obligations of the Domestic Depository, the IDR Holders and Standard Chartered regarding the IDR Facility.
- The Deposit Agreement is available for inspection, on request, at the office of the Domestic Depository at Standard Chartered Bank, Securities Services, Crescenzo, Floor 3, C-38/39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

What information will IDR Holders be sent?

- IDR Holders will have access to annual reports, as well as other communications made available by Standard Chartered to Equity Shareholders.

Can the Deposit Agreement be amended?

- The Deposit Agreement and the terms and conditions of the IDRs mentioned in Schedule 1 thereto (the "Terms and Conditions") may, at any time, and from time to time, be amended by written agreement between Standard Chartered and the Domestic Depository.
- Notice of any such amendment will be given to the IDR Holders.
- Any amendment which increases or imposes fees or charges payable by the IDR Holders or which is otherwise materially prejudicial to IDR Holders as a class will not generally become effective until a specified period after such notice is given to the IDR Holders.
- This provision is intended to safeguard the interests of the IDR Holders.

Has the Deposit Agreement been amended to enable two-way fungibility?

- Yes, the Deposit Agreement and the Terms and Conditions have been amended for the purpose of implementing two-way fungibility and a notice in this regard was dispatched to all IDR Holders appearing in the register of IDR Holders maintained pursuant to the Deposit Agreement (the "Register") as on April 26, 2013, by registered post at their Indian address only along with an email to those IDR Holders who had registered their email address with the R&T Agent for receiving communication related to Standard Chartered via email.
- A copy of the amendment to the Deposit Agreement and the revised Terms and Conditions are available, on request, at the office of the Domestic Depository at Standard Chartered Bank, Securities Services, Crescenzo, Floor 3, C-38/39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. Standard Chartered has also uploaded a copy of the revised Terms and Conditions on its website at <http://investors.standardchartered.com/en/>.

Two-Way Fungibility of IDRs

What is meant by two-way fungibility of IDRs?

- Two-way fungibility of IDRs refers to redemption of IDRs into underlying Equity Shares and conversion of Equity Shares into IDRs, subject to available headroom.
- SEBI has issued broad two-way fungibility guidelines for existing IDR issuers and future IDR issuers *vide* its Circular. In terms of the Circular, Standard Chartered is required to submit detailed Operating Guidelines to the Indian stock exchanges at least one month prior to implementation of two-way fungibility.

When can IDRs be redeemed into Equity Shares or Equity Shares converted into IDRs?

- IDR Holders can redeem IDRs into underlying Equity Shares only after a period of one year from the issue of IDRs subject to the guidelines prescribed by SEBI and RBI. This may be provided on a periodic basis or on a continuous basis. For details, please see below.
- Upon such redemption, in terms of the circular dated July 22, 2009 notified by the Reserve Bank of India, resident individual investors are allowed currently to hold Equity Shares only for the purpose of sale within a period of 30 days of redemption.
- Conversion of Equity Shares into IDRs is also allowed, subject to available headroom. For details, please see

below.

Which approach is followed by Standard Chartered to implement two-way fungibility?

- In terms of the Circular, Standard Chartered, being an existing IDR issuer, has followed partial two-way fungibility of IDRs.

What is meant by partial two-way fungibility?

- Partial two-way fungibility of IDRs means that Standard Chartered will make available up to 25% of the original issue of IDRs per annum for redemption into underlying Equity Shares together with the ability to convert Equity Shares into IDRs, subject to available headroom.

Are the 'Guidelines for fungibility of future IDR issuance' prescribed under clause 4.I of the Circular applicable to Standard Chartered?

- No, Standard Chartered, being an existing IDR issuer since June 2010 is required to comply with the 'Guidelines for fungibility of existing listed IDRs' prescribed under clause 4.II of the Circular. However, Standard Chartered has the option of following the guidelines applicable to future IDR issuers subject to the terms of the Circular including, but not limited to, receipt of SEBI approval.

Will Standard Chartered switch to continuous fungibility (meaning both redemption of IDRs into Equity Shares and conversion of Equity Shares into IDRs without any annual limit) in future?

- As of now, Standard Chartered would follow the guidelines applicable for existing IDR issuers, namely partial two-way fungibility. It is not possible to say at this stage whether or not – and if so when – this position may change.

Which mode of fungibility is provided by Standard Chartered to its IDR Holders?

- Standard Chartered has provided the option of redeeming IDRs into underlying Equity Shares in dematerialized form only. IDR Holders will not have the option of redeeming IDRs into cash or seeking release of Equity Shares in physical/certificated form. After redemption the Equity Shares may be sold or held, subject to applicable laws.

When can an IDR Holder apply for redemption of IDRs into underlying Equity Shares?

- Standard Chartered will advertise the redemption window i.e. a period of at least seven days at least a month in advance. During the redemption window, the IDR Holders may submit a Withdrawal Order for redemption of IDRs into underlying Equity Shares.

When did Standard Chartered announce its first round of redemption of IDRs into Equity Shares?

- Standard Chartered announced the implementation of its first round of redemption of IDRs into Equity Shares on April 30, 2013 and scheduled the redemption window between May 31, 2013 and June 7, 2013 (both dates inclusive). On completion of the redemption event in the quarter ended June 30, 2013, Standard Chartered announced the available headroom for conversion of Equity Shares into IDRs on a continuous basis.

How many IDRs were made available by Standard Chartered for redemption into Equity Shares?

- Standard Chartered made available 25% of the original issue of IDRs, being 60,000,000 IDRs, for redemption into underlying Equity Shares in each of the years ending December 2013 and 2014.

How many IDRs are made available by Standard Chartered for redemption in the current year ending December 31, 2015 and the redemption window in the quarter ending March 31, 2015?

- Standard Chartered has made available 25% of the original issue of IDRs, being 60,000,000 IDRs, for redemption into underlying Equity Shares in 2015. The said number of IDRs is made available by Standard Chartered for redemption in the redemption window for the quarter ending March 31, 2015.

Who can apply for redemption of IDRs into Equity Shares?

- Subject to the Circular and the detailed Operating Guidelines submitted by Standard Chartered, an IDR Holder may apply for redemption of IDRs into underlying Equity Shares.
- Such IDR Holders should be:
 - legal and beneficial owner of and have good and valid title to the IDRs and hold the IDRs free and clear of all pledges, liens, charges, encumbrances, equities, security interests, third party rights or such other similar claims; and
 - eligible to hold underlying Equity Shares.
- IDR Holders may only submit Withdrawal Orders, pursuant to which IDRs may be redeemed into Shares, in circumstances where the submission of such Withdrawal Order and the redemption of the relevant IDRs into Shares does not give rise to any requirement on the part of Standard Chartered, the Domestic Depository, the Overseas Custodian or the R&T Agent in any jurisdiction to comply with any filing or other requirement or to pay any fees or expenses. Any Withdrawal Order in respect of which the foregoing applies is liable to be rejected. By submitting a Withdrawal Order, the relevant IDR Holder is deemed to have represented and warranted that there is no such requirement in relation to the IDRs he is seeking to redeem into Shares. US Persons (within the meaning of Regulation S under the US Securities Act of 1933, as amended) are not eligible to submit Withdrawal Orders and any person submitting a Withdrawal Order is deemed to have represented and warranted that he is not a US Person.

Can an application to redeem IDRs into Equity Shares name a beneficial holder's CREST account to receive the underlying Equity Shares?

- A beneficial holder's CREST account could be mentioned in the Withdrawal Order. The Equity Shares on redemption of IDRs will be delivered accordingly to such CREST account.

Where will the Withdrawal Orders be available?

- A copy of the Withdrawal Order will be enclosed with the letter to be sent to all IDR Holders appearing in the Register as on February 20, 2015. The IDR Holders may also obtain Withdrawal Orders in the following manner and from the following locations:
- *Physical copy (on request) between 10:00 a.m. and 5:00 p.m.:*
 - Standard Chartered – 1 Basinghall Avenue, London, EC2V 5DD, UK
 - Domestic Depository – Standard Chartered Bank, Securities Services, Crescenzo, Floor 3, C-38/39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
 - Overseas Custodian – The Bank Of New York Mellon, One Piccadilly Gardens, Manchester, M1 1RN, UK
 - R&T Agent – Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur,

Hyderabad – 500 081

■ **Electronic copy:**

- An electronic copy of the Withdrawal Order may also be downloaded from <http://investors.standardchartered.com/en/>

Where should IDR Holders submit the Withdrawal Order?

- IDR Holders may submit duly filled, signed and stamped Withdrawal Orders along with the relevant enclosures and fees in the following manner and at the following locations:
- **Hand delivery between 10:00 a.m. to 5:00 p.m. during the Redemption Window:**
 - At the centres designated by the R&T Agent as specified in Annexure A; or
 - At the office of the R&T Agent at Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081
- **Registered Post or courier during the Redemption Window:**
 - At the office of the R&T Agent **only** at Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081. In this situation, IDR Holders shall ensure that they dispatch the Withdrawal Order well in advance such that the R&T Agent receives the Withdrawal Order before the close of the Redemption Window. In the event, the R&T Agent does not receive the Withdrawal Order before the close of the Redemption Window, the R&T Agent shall reject such redemption request and release the tendered IDRs in accordance with the Operating Guidelines.
- **Withdrawal Orders submitted at times or locations or by modes other than those specified herein above are liable to be rejected**

What is the minimum number of IDRs that may be redeemed?

- An IDR Holder may submit a redemption request for a minimum of 10 IDRs or in multiples thereof. However, if a Withdrawal Order is submitted with such number of IDRs which represents a fraction of an Equity Share, the R&T Agent shall process the Withdrawal Order in respect of such number of IDRs which would represent the nearest whole number of Equity Shares and the balance IDRs shall be released to the relevant IDR Holder.

Are the IDRs transferred to some other account at the time of submission of Withdrawal Order?

- Yes, once the Withdrawal Order is submitted, the IDRs to be redeemed are simultaneously transferred to the IDR redemption account.

What is the IDR redemption account?

- A securities account being “KCPL Escrow Account – SCB IDR Redemption” (DP ID - IN300394 and Client ID - 18607451) opened by the R&T Agent with a depository participant of the National Securities Depository Limited (“**NSDL**”) and the Central Depository Services (India) Limited (“**CDSL**”) for deposit of Dematerialised IDRs and in case of IDR Certificates (or IDRs in physical form), it refers to the custody of such IDR Certificates with the R&T Agent.

Is it mandatory for the IDR Holder to hold the IDRs to be redeemed in dematerialized form?

- No, IDR Holders holding IDRs in physical or certificated form may also apply for redemption. However, on redemption, the release of Equity Shares will be compulsorily in dematerialized form and it will not be possible to receive Equity Shares in physical or certificated form.

Does the IDR Holder require a dematerialised account overseas for redemption of IDRs into underlying Equity Shares?

- As the underlying Equity Shares will be released in dematerialized form only, a UK CREST client account is mandatory to enable the Overseas Custodian to release the underlying Equity Shares upon redemption. However, such UK CREST client account may be in the name of the IDR Holder or an agent on behalf of the IDR Holder.

How can an IDR Holder redeem/convert IDRs into Equity Shares if the IDR Holder does not have a CREST account?

- If an IDR Holder does not have a CREST account then such IDR Holder can approach and appoint SEBI registered brokers who provide broking services in UK. The broker may help the IDR Holder to take delivery of Equity Shares in its CREST account in UK and on further instruction from the IDR Holder, it could sell the Equity Shares and remit/transfer the process to the bank account specified by the IDR Holder. In this regard, the IDR Holder will be required to follow and comply with the procedural and legal requirements specified by such broker. Kindly note that resident individuals are allowed to hold the underlying Equity Shares only for the purpose of sale within a period of 30 days from the date of redemption of the IDRs into underlying Equity Shares. This is for information of the IDR Holders and Standard Chartered will not hold any responsibility in this regard. Any such appointment is at the IDR Holder's sole risk and none of Standard Chartered, its subsidiaries or its subsidiary undertakings accepts any responsibility in respect of any such appointment or makes any representation or warranty, express or implied, in respect of any such appointment, any SEBI registered broker or any broking services provided by any SEBI registered broker.

Can the IDR Holder hold IDRs as well as the Equity Shares underlying such IDRs at the same time?

- No, on redemption of IDRs into underlying Equity Shares, IDRs are cancelled by the Domestic Depository. However, an IDR Holder may hold IDRs as well as Equity Shares in a situation where the IDR Holder redeems some but not all of its IDRs.

What is the amount and mode of payment of any fee that is required to be paid along with the Withdrawal Order?

- The IDR Holders shall submit a demand draft of Rs. 0.349[#] per IDR in favour of Standard Chartered Bank, India towards the fees and other costs and expenses involved in such redemption
The fees are equivalent of US\$ 0.05 for every 10 IDRs to be redeemed pursuant to the Withdrawal Order and are inclusive of service tax @ 12.36%. The calculation is based on the exchange rate of Rs. 62.136 per US\$ 1.00 as published on the website of the Reserve Bank of India on the latest practical date, February 13, 2015
- Such demand draft should be enclosed with the Withdrawal Order.

What is the basis for redemption of IDRs?

- In case the demand for redemption is higher than the number of IDRs made available by Standard Chartered, the redemption shall be determined on a proportionate basis.

Is there any reservation for any class of investor?

- In terms of the Circular, 20% of the IDRs made available by Standard Chartered for redemption in the concerned redemption window shall be reserved for Retail Individual IDR Holders.

Who are Retail Individual IDR Holders?

- An IDR Holder who is an individual or Hindu Undivided Family (in the name of Karta) and the aggregate value of IDRs held by such IDR Holder on February 20, 2015 on the basis of the closing price on such date i.e. Rs. 88.20, is equal to or less than Rs. 200,000.

Whether revision or cancellation of the Withdrawal Order is possible?

- Once the Withdrawal Order is submitted by the IDR Holders, they shall not be permitted to revise, amend or cancel their redemption request.

How will be fractional IDRs redeemed?

- A request for redemption of IDRs into Equity Shares pursuant to a Withdrawal Order may only be made in respect of a minimum 10 IDRs or multiples thereof. However, if a Withdrawal Order is submitted with such number of IDRs which represents a fraction of an Equity Share, the R&T Agent shall process the Withdrawal Order in respect of such number of IDRs which would represent the nearest whole number of Equity Shares and the balance IDRs shall be released to the relevant IDR Holder.

Where will the Equity Shares released on redemption of IDRs be traded?

- The Equity Shares to be released on redemption of IDRs will be registered on the UK share register and therefore can only be traded on the London Stock Exchange. If a former IDR Holder wishes to trade the Equity Shares in Hong Kong, he or she must arrange for the Equity Shares to be transferred from the UK share register to the Hong Kong branch register.

If the redemption window falls after the record date for the purposes of the Company's dividend for the year ending December 31, 2014, being March 13, 2015, will an IDR Holder holding IDRs on the record date be entitled to the dividend on such IDRs even if that IDR Holder redeems the IDRs in the redemption window?

Yes, an IDR Holder holding IDRs on March 13, 2015, being the record date for the purposes of the Standard Chartered's dividend for the year ending December 31, 2014, will be entitled to a dividend on such IDRs in the usual manner even if that IDR Holder redeems those IDRs into Shares during the subsequent redemption window.

Is an IDR Holder who has redeemed his IDRs into Equity Shares eligible for scrip dividends?

- On redemption of IDRs into Equity Shares, the concerned new Equity Shareholder will be entitled to future scrip dividends (if offered by Standard Chartered), however, the distribution of such scrip dividends would be subject to applicable law and regulation.

Is an IDR Holder who has redeemed some or all of his IDRs into Equity Shares in this quarter ending March 31, 2015 eligible to vote in the annual general meeting scheduled on May 6, 2015?

- IDR holders on the IDR register on April 23, 2015 will be entitled to attend and vote at Standard Chartered's annual meeting on May 6, 2015.
- Equity Shareholders on Standard Chartered's register of members in the UK at 10:00 p.m. (London Time) on May 4, 2015 or on Standard Chartered's branch register of members in Hong Kong at 5:00 a.m. (Hong Kong

time) on May 4, 2015 will be entitled to attend and vote at Standard Chartered's annual general meeting on May 6, 2015.

How will the IDR Holder know about the redemption results?

- Tentatively, the results of the redemption will be announced by the Domestic Depository on or around T+ 21, T being the date the redemption window opens. This may vary with the actual timelines and accordingly, the IDR Holders should track the announcements made by Standard Chartered on the website of the Indian Stock Exchanges.
- On such announcement of redemption results, the IDR Holders shall immediately instruct their UK broker or such other person operating the UK CREST client account on behalf of the IDR Holder to take necessary steps to accept the Equity Shares to be released by the Overseas Custodian.
- In this regard, the R&T Agent shall also provide a facility on its website at <http://www.karisma.karvy.com/>, whereby the IDR Holders who had submitted the Withdrawal Order could use their DP ID and Client ID/ Folio no. to access the detailed information about their respective redemption request.

What happens if the IDR Holders fail to instruct or the UK broker or such other person operating the UK CREST client account fails to undertake necessary action to receive the Equity Shares released by the Overseas Custodian?

- In the event the UK broker or such other person operating the UK CREST client account on behalf of the IDR Holder fails to undertake necessary actions to accept the Equity Shares released by the Overseas Custodian, such unsettled transaction shall be kept open for settlement through CREST for a period of not more than 30 days from the date such Equity Shares are released by the Overseas Custodian. After the expiration of 30 days from the release of the Equity Shares, the Overseas Custodian will provide details of the unsettled transaction to the Domestic Depository. The Domestic Depository shall obtain the details of the relevant former IDR Holder from the R&T Agent and provide the same to the Overseas Custodian. The Overseas Custodian shall close such unsettled transactions and issue Equity Shares in the name of the relevant former IDR Holder in certificated form. The former IDR Holder to whom Equity Shares are issued in certificated form shall be solely responsible and accountable for any stamp duty, stamp duty reserve tax or any other tax due and payable under any applicable law on the creation and delivery of such certificate to the former IDR Holder and neither Standard Chartered nor the Domestic Depository, the Overseas Custodian or the R&T Agent shall have any liability in this respect.

Will the IDR Holder be informed whether the Withdrawal Order has been accepted or rejected?

- On release of the underlying Equity Shares from the Overseas Custodian to the UK CREST client account and cancellation of IDRs, the R&T Agent will intimate the IDR Holders. The R&T Agent shall, simultaneously, also inform the IDR Holders whose redemption request has been rejected.

What is the process for refund or release of IDRs?

- In case (a) the number of IDRs redeemed into Equity Shares is less than the number of IDRs tendered by the IDR Holder; (b) rejection of the Withdrawal Order for reasons specified in the Operating Guidelines; (c) non-receipt of the Withdrawal Order before the close of the Redemption Window; or (d) invalidity or non-existence of UK CREST client account, the R&T Agent shall, upon receiving instructions from the Domestic Depository, ensure release of the balance or all, as the case may be, IDRs to the securities account of the concerned IDR Holders as well as refund of corresponding excess or entire fees, if any, to the IDR Holders. No refund of any stamp duty paid on the rejected Withdrawal Orders will be made.

What is the tax implication on redemption of IDRs into underlying Equity Shares?

- The following response relates to Indian tax law only. There are no specific tax provisions under the Income Tax Act with respect to redemption of IDRs into underlying Equity Shares. Under the Indian Income tax regulations, redemption of IDRs into underlying Equity Shares may not be considered as a taxable transfer.
- The Withdrawal Orders to be submitted by the IDR Holders should be adequately stamped or franked for an amount of Rs. 200 (as per the Maharashtra Stamp Act, 1958, as amended) or such other amount as may be applicable in the jurisdiction where the Withdrawal Order is executed or submitted by the IDR Holder, whichever is higher.
- The IDR Holders shall be solely responsible for paying any stamp duty, stamp duty reserve tax, income tax, capital gains tax, withholding tax or any other similar duty or tax charged or chargeable or determined/held as chargeable, levied or leviable or determined /held as leviable, in India, United Kingdom or elsewhere in connection with the deposit of IDRs, cancellation or redemption of IDRs, release of Equity Shares or any subsequent sale thereof. IDR holders are advised to consult their own counsel and advisors as to the tax consequences of redemption of IDRs into underlying Equity Shares under Indian and other applicable laws, before making an application for redemption.

What are the RBI laws and FEMA laws that are be applicable for redemption of IDRs into underlying Equity Shares?

- Broadly, the IDR Holder opting for redemption of IDRs into underlying Equity Shares should note the following:
 - In terms of the RBI circular dated July 22, 2009, listed Indian companies and Indian mutual funds registered with SEBI may either sell or continue to hold the underlying Equity Shares subject to the terms and conditions in Regulation 6B and 7 of Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004, as amended and other persons resident in India including resident individuals are allowed to hold the underlying Equity Shares only for the purpose of sale within a period of 30 days from the date of redemption of the IDRs into underlying Equity Shares; and
 - Further, under the liberalized remittance scheme, an Indian individual can invest in Equity Shares up to US\$125,000. Further, a company incorporated in India can invest only up to 50% of its net worth by way of overseas portfolio investments per financial year.

When can an Equity Shareholder apply for conversion of Equity Shares into IDRs?

- Equity Shareholders are able to submit Conversion Forms for conversion of Shares into IDRs on deposit of Equity Shares on a continuous basis subject to available headroom.

When is the headroom announced by the Domestic Depository?

- The Domestic Depository announced the headroom after the completion of the first redemption window in the quarter ended June 30, 2013 and has been updating the same on a continuous basis.

How will headroom be calculated for the purpose of conversion of Equity Shares into IDRs?

- As per the Circular, headroom will be calculated by subtracting the number of outstanding IDRs and the IDRs redeemed into Equity Shares from the number of IDRs originally issued by Standard Chartered.
- The initial headroom was announced after completion of the first redemption window in the quarter ended June 30, 2013. Thereafter, the Domestic Depository announces the changes to the headroom after processing the conversion requests and re-issuance of IDRs.

Who can apply for conversion of Equity Shares into IDRs?

- Equity Shareholders who are:
 - legal and beneficial owner of and have good and valid title to the Equity Shares and who hold such Equity Shares free and clear of all pledges, liens, charges, encumbrances, equities, security interests, third party rights or such other similar claims; and
 - eligible to hold IDRs under applicable laws and regulation of its respective jurisdiction.

Equity Shareholders may only submit Conversion Forms, pursuant to which Equity Shares may be converted into IDRs, in circumstances where the submission of such Conversion Form and the conversion of the relevant Equity Shares into IDRs does not give rise to any requirement on the part of Standard Chartered, the Domestic Depository, the Overseas Custodian or the R&T Agent in any jurisdiction to comply with any filing or other requirement or to pay any fees or expenses. Any Conversion Form in respect of which the foregoing applies will be rejected. By submitting a Conversion Form, the relevant Equity Shareholder is deemed to have represented and warranted that there is no such requirement in relation to the Equity Shares he is seeking to convert into IDRs. US Persons (within the meaning of Regulation S under the US Securities Act of 1933, as amended) are not eligible to submit Conversion Forms and any person submitting a Conversion Form is deemed to have represented and warranted that he is not a US Person.

Where are the Conversion Forms available?

- Equity Shareholders may obtain a copy of the Conversion Form on or after the completion of the first redemption event, pursuant to which Equity Shareholders could tender Equity Shares for conversion into IDRs, along with the CREST stock transfer form (for use only by Equity Shareholders holding Equity Shares in physical/certificated form to enable the Overseas Custodian to dematerialise the Equity Shares) as follows:
- *Physical copy (on request) between 10:00 a.m. and 5:00 p.m.:*
 - Standard Chartered – 1 Basinghall Avenue, London, EC2V 5DD, UK
 - Domestic Depository – Standard Chartered Bank, Securities Services, Crescenzo, Floor 3, C-38/39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
 - Overseas Custodian – The Bank Of New York Mellon, One Piccadilly Gardens, Manchester, M1 1RN, UK
 - R&T Agent – Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081
- Electronic copy:
 - An electronic copy of the Conversion Form and the CREST stock transfer form may also be downloaded from <http://investors.standardchartered.com/en/>

Where should the Equity Shareholder submit the Conversion Form?

- Equity Shareholders validly holding Equity Shares in dematerialised form or their nominated broker shall submit a duly filled and signed Conversion Form with the Overseas Custodian by fax at +44 (0)20 7964 4060 or by email at UKCrestCrossborder&ADRs@bankofny.com. Equity Shareholders validly holding Equity Shares in physical/certificated form or their nominated broker shall submit a duly filled and signed Conversion Form, the original signed CREST stock transfer form and the relevant share certificates by **registered post or courier only** to the Overseas Custodian at ADR Operations, The Bank of New York Mellon, One Picadilly Gardens, Manchester M1 1RN, UK. The “Consideration Money” and “Full name(s) of the person(s) to whom the security is transferred” fields on the CREST stock transfer form should be left blank. The CREST stock transfer form will enable the Overseas Custodian to dematerialise the Equity Shares and confirm safe receipt of the Equity Shares.
- The Equity Shareholders shall also simultaneously submit a duly filled, signed and stamped or franked Conversion Form with the R&T Agent along with the relevant enclosures and fees by hand delivery between 10:00 a.m. to 5:00 p.m. on working days or by registered post or courier to Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081.

What is the process if an Equity Shareholder holds Equity Shares on the Hong Kong branch register?

- If an eligible Equity Shareholder holds Equity Shares on the Hong Kong branch register and wishes to convert the Equity Shares into IDRs, the Equity Shareholder must first arrange for the Equity Shares to be transferred from the Hong Kong branch register to the UK share register.

Is it mandatory for the Equity Shareholder to hold the Equity Shares to be converted in dematerialized form?

- No, Equity Shareholders holding Equity Shares in physical or certificated form may also apply for conversion. In case of Equity Shares in physical form, Equity Shareholder shall submit a signed CREST stock transfer form. This will enable the Overseas Custodian to dematerialise the Equity Shares and confirm safe receipt of the Equity Shares. However, on conversion, the issuance of IDRs will be compulsorily in dematerialized form.

Would the applicant require a dematerialized securities account in India for conversion of Equity Shares into IDRs?

- Yes, the Equity Shareholder applying for conversion of the Equity Shares into IDRs is required to have a securities account with a depository participant of NSDL or CDSL to enable the Domestic Depository to credit IDRs upon conversion.

What is the amount and mode of payment of any fee that is required to be paid along with the Conversion Form?

- The Equity Shareholders shall submit a demand draft for the Domestic Depository Fee^{##} in favour of Standard Chartered Bank, India towards the fees and other costs and expenses involved in such conversion
^{##} *The Domestic Depository Fee shall be equivalent of US\$ 0.05 per Share to be converted into IDRs pursuant to the Conversion Form plus service tax at a rate applicable at the date the Conversion Form is submitted. The exchange rate for the conversion of US\$ to Rs. shall be the rate as published on the website of the Reserve Bank of India on the last day of the month immediately preceding the date of submission of the Conversion Form. The Domestic Depository shall display the Domestic Depository Fee, updated on a monthly basis, on its website at <http://investors.standardchartered.com/en/>*

What is the basis for conversion of Equity Shares?

- Since conversion of Equity Shares into IDRs will be available on a continuous basis, the Equity Shares will be converted into IDRs on a first-come-first-served basis, subject to available headroom. The first-come-first-served basis will be determined on the basis of the time of receipt of the Conversion Form by the Overseas Custodian.

Is there any stamp duty payable by the Equity Shareholders on deposit of the Equity Shares for conversion into IDRs?

- Depending on whether Equity Shares are deposited in dematerialised or physical/certificated form, stamp duty reserve tax or stamp duty will be payable on the deposit of Equity Shares at a rate of 1.5% on the market value of the deposited Equity Shares. Please see the Operating Guidelines for further details. Equity Shareholders will be accountable for paying any stamp duty, stamp duty reserve tax, income tax, capital gains tax, withholding tax or any other similar duty or tax charged or chargeable or determined/held as chargeable, levied or leviable or determined/held as leviable in India, United Kingdom or elsewhere in connection with the deposit of Equity Shares, conversion of Equity Shares, issuance of IDRs or any subsequent sale thereof and the Overseas Custodian will not accept the deposit of Equity Shares in the absence of satisfactory evidence that the relevant Equity Shareholders will account for such stamp duty or stamp duty retention tax.

- Where Equity Shares are deposited with the Overseas Custodian in dematerialised form through CREST, you or your nominated broker should ensure that all fields in the relevant CREST message transferring the Equity Shares to the Overseas Custodian relating to the payment of stamp duty reserve tax are properly completed. Where Equity Shares are deposited with the Overseas Custodian in physical/certificated form, you should contact the Overseas Custodian by phone on +44 (0)161 725 3422 or by email at UKCrestCrossborder&ADRs@bankofny.com and the Overseas Custodian will assist in the calculation, collection and payment of applicable stamp duty reserve tax or stamp duty.
- Further, the Equity Shareholders are required to stamp or frank the Conversion Forms to be submitted to the R&T Agent for an amount of Rs. 200 (as per the Maharashtra Stamp Act, 1958, as amended) or such other amount as may be applicable in the jurisdiction where the Conversion Form is executed or submitted by the IDR Holder, whichever is higher.

Is there any reservation for any class of investor?

- No such reservation is available for conversion of Equity Shares into IDRs.

Is revision or withdrawal of the Conversion Form possible?

- The Equity Shareholders shall not be permitted to amend, revise, cancel or withdraw the Conversion Form after submission. However, the Equity Shareholders may submit more than one Conversion Form meeting the requirements outlined in the Operating Guidelines. Each such Conversion Form shall be considered as a separate conversion request.

How will the Equity Shareholder know whether the Conversion Form has been accepted or rejected?

- On issuance of IDRs on conversion of Equity Shares, the R&T Agent shall intimate the Equity Shareholders about the issuance of IDRs as well as about Equity Shares which have not been converted into IDRs and ensure release of such Equity Shares to the relevant Equity Shareholder or the nominated broker.

What is the process for refund or release of Equity Shares?

- If the Conversion Form is rejected by the R&T Agent on the grounds mentioned in the Operating Guidelines, the Overseas Custodian shall release any deposited Equity Shares to the UK CREST client account of the concerned Equity Shareholder or the nominated broker. Simultaneously, the Domestic Depository shall instruct the R&T Agent to return the demand draft to the Equity Shareholder or their nominated broker. In these circumstances, Standard Chartered, the Overseas Custodian, the Domestic Depository or the R&T Agent will not be liable for (i) any stamp duty reserve tax, stamp duty or other taxes arising on the release of deposited Shares to the UK CREST client account of the concerned Equity Shareholder or the nominated broker or (ii) refund of stamp duty paid by the Equity Shareholder on submission of the Conversion Form with the R&T Agent, and any such taxes will be the responsibility of the concerned Equity Shareholder or the nominated broker, as applicable.

What will be the tax implication on such deposit and conversion of Equity Shares into IDRs?

- The following response relates to Indian tax law only. There are no specific tax provisions under the Income Tax Act with respect to the deposit and conversion of Equity Shares into IDRs. Under the Indian Income tax regulations, conversion of Equity Shares into IDRs may not be considered as a taxable transfer.
- Conversion Forms to be submitted to the R&T Agent by the Equity Shareholders should be stamped or franked for an amount of Rs. 200 (as per the Maharashtra Stamp Act, 1958, as amended) or such other amount as may be applicable in the jurisdiction where the Conversion Form is executed or submitted by the

IDR Holder, whichever is higher.

- The Equity Shareholders shall be solely responsible for paying any stamp duty and tax including income tax, capital gains tax or withholding tax or such other taxes that may arise on the date of submission of the Conversion Form or any subsequent date in respect of the deposit of Equity Shares, conversion of Equity Shares or any subsequent sale thereof. Equity shareholders are advised to consult their own tax counsel and advisors as to the tax consequences of the conversion of Equity Shares into IDRs under Indian and other applicable laws, before making an application for conversion.

Where can the IDR Holder or the Equity Shareholder find more details on the process of two-way fungibility?

- In terms of the Circular, Standard Chartered has submitted a copy of the detailed Operating Guidelines with the Indian Stock Exchanges which lays down the detailed process in relation to redemption of IDRs into Equity Shares and conversion of Equity Shares into IDRs.
- Copies of the Operating Guidelines are available, on request, at the offices of Standard Chartered at 1 Basinghall Avenue, London, EC2V 5DD, UK, the Domestic Depository at Standard Chartered Bank, Securities Services, Crescenzo, Floor 3, C-38/39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, the Overseas Custodian at The Bank Of New York Mellon, One Piccadilly Gardens, Manchester, M1 1RN, UK and the R&T Agent at Karvy Computershare Private Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081 as well as on the website of Standard Chartered at <http://investors.standardchartered.com/en/>.

What are the contact details of the key parties involved?

- The contact details of the key parties involved in this process of conversion is as follows:

- **Standard Chartered:**
Standard Chartered PLC:
1 Basinghall Avenue
London EC2V 5DD
Tel: +44 (0)20 7885 8888
Fax: +44 (0)20 7885 7337
Website: www.standardchartered.com;
Email: group-corporate.secretariat@sc.com
Compliance Officer:
Bhupesh Singh
Tel: +91 22 6115 7853
Fax: +9122 2675 7733
Email: bhupesh.singh@sc.com
- **Domestic Depository:**
Standard Chartered Bank
Securities Services, Crescenzo
Floor 3, C-38/39, G-Block
Bandra Kurla Complex
Bandra (East), Mumbai – 400 051
Tel: +91 22 2675 7793/ 6115 7793
Fax: +91 22 2675 9002
Website: <http://www.standardchartered.com>

Email: Rajesh.m.Sharma@sc.com

– **Overseas Custodian:**

Bank of New York Mellon

ONE PICCADILLY GARDENS

MANCHESTER

M1 1RN, UK

Tel: +44 (0)16 1725 3422

Fax: +44 (0) 20 7964 4060

Website: <http://www.bnymellon.com/>

Email: UKCrestCrossborder&ADRs@bankofny.com

– **R&T Agent:**

Karvy Computershare Private Limited

Plot No. 17-24

Vittal Rao Nagar

Madhapur, Hyderabad – 500 081

Tel: +91 40 4465 5151

Fax: +91 40 4465 5024

Website: www.karisma.karvy.com

Email: shobha.anand@karvy.com; madhusudhan.ms@karvy.com

How can I resolve investor grievances?

- IDR Holders can approach the R&T Agent in respect of any problems relating to the issue including credit of shares or refunds.
- Standard Chartered also has a compliance officer based in India for resolution of investor grievances. The compliance officer is Bhupesh Singh. Contact details of the compliance officer are:
- Tel: +91 22 6115 7853, Email: bhupesh.singh@sc.com

ANNEXURE A

S. No	Collection Centre	Address of Collection Centres	Contact Person	Phone No.	Fax	Mode of delivery	email
1	Mumbai	Karvy Computershare. Pvt Ltd. 24-B, Rajabahadur Mansion, Gr Floor 6 Ambalal Doshi Marg, Behind BSE Ltd, Fort Mumbai-400001	Ms.Nutan Shirke	Board N: 022-66235454 Irc No:022-66235412/27	022-66331135	Hand Delivery	ircfort@karvy.com nutan.shirke@karvy.com
2	New Delhi	Karvy Computershare. Pvt Ltd. 305, New Delhi House, 27, Barakhamba Road, Connaught Place New Delhi - 110 001	Mr. Rakesh Kr Jamwal / Vinod Singh Negi	11-43681700/1798	011-41036370	Hand Delivery	rakesh.jamwal@karvy.com john.mathew@karvy.com
3	Ahmedabad	Karvy Computershare. Pvt Ltd. 201-203, Shail, Opp: Madhusudhan House Behind Girish Cold Drinks Off C G Road Ahmedabad ~ 380 006	Mr. Aditya Gupta/ Robert Joeboy	079- 66614772 26400527	N A	Hand Delivery	ahmedabad@karvy.com robert.joeboy@karvy.com
4	Chennai	Karvy Computershare. Pvt Ltd. No.F11 First Floor Akshya Plaza New no.108 Adhithanar Salai Egmore Chennai 600 002 India	Mr. D Ramakrishna	044-28587781	NA	Hand Delivery	chennaiirc@karvy.com
5	Kolkata	Karvy Computershare. Pvt Ltd. 49, Jatin Das Road, Nr.Deshpriya Park, Kolkatta 700 029	Mr. Sujit Kundu/ Mr. Debnath	033-24644891	033-24644866	Hand Delivery	sujit.kundu@karvy.com nilkanta.debnath@karvy.com
6	Bengalore	Karvy Computershare. Pvt Ltd. No.59, Skanda, Putana Road, Basavanagudi Bengaluru 560 004	Mr. S K Sharma/ Mr. Mahadev	080-26621192/26606125	080-26621169	Hand Delivery	ircbangalore@karvy.com
7.	Hyderabad	Karvy Computershare. Pvt Ltd. Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081	Mr. Bhakta Singh	040-44655000/ 23420818-23	040-23431551	Hand Delivery / Registered Post or Courier	ircmadhapur@karvy.com